Moves and Portability

Contents

1. Chapter Overview

In the Housing Choice Voucher (HCV) program, moves with continued assistance may occur both inside and outside of a PHA's jurisdiction. An eligible family that has been issued a voucher can lease a unit that meets program requirements anywhere in the United States, provided that a PHA administering a tenant-based program has jurisdiction in the area in which the unit is located. This feature of the program is referred to as portability, which is the process of leasing a dwelling unit with tenant-based housing voucher assistance outside of the jurisdiction of the PHA that initially issues the family its voucher (the initial PHA).

This chapter describes how eligible families may move from one jurisdiction to another using portability. The PHA that initially issues the voucher to a portable family in order to allow them to move to a different jurisdiction is referred to as the initial PHA. The PHA in the jurisdiction to which the family wishes to move is known as the receiving PHA.

How portability differs in the two main types of assistance under the Section 8 Program	
Tenant-Based Vouchers	**Project-Based Vouchers**
Under TBVs, the subsidy is tied to the family, not the unit. This means that the assistance may be used within the jurisdiction where the family lives or within any jurisdiction with an HCV program.	With PBVs, however, the subsidy is tied to the unit, not the family. Only after one year of assistance in a project-based unit, the family may switch to the tenant-based voucher program and exercise portability if they choose, with some restrictions.

This chapter also describes the responsibilities of initial and receiving PHAs including processing portability moves for families and billing and paperwork submission requirements. Program regulations concerning portability are found at 24 CFR 982.353 through 982.355.

Program regulations were revised through the publication of "Housing Choice Voucher Program: Streamlining the Portability Process" (also referred to as the portability rule, 80 FR 50564, published in the Federal Register on August 20, 2015). The latest HUD guidance on the portability process can be found in PIH Notice 2016-09.

2. Eligibility Requirements and Family Responsibilities

Generally, families who are participants in the HCV program are eligible to move under portability as long as such a move is not in violation of the lease, with some exceptions, and as long as the move complies with the PHA's policies on family moves. Section 3 of this chapter describes the limitations on portability moves and the exceptions to such limitations.

There are additional eligibility requirements for applicant families, which are described in more detail in this section. Applicant families are those that have been selected from the PHA's waiting list but for whom a HAP contract has not yet been executed.

2.1 Portability Requirements for Applicants

2.1.1 Residency Requirements

An applicant family must[1] be allowed to move to another jurisdiction under portability provided that the head of household or spouse was a resident of the PHA's jurisdiction at the time the initial application for assistance was submitted and that all other portability requirements are met. Conversely, non-resident applicants have no right to move under portability for 12 months from the time the family is admitted to the HCV program.[2] Once a HAP contract is executed on behalf of the applicant family, the family becomes a HCV participant.

[1] 24 CFR § 982.353(b)
[2] 24 CFR § 982.353(c)(2)(ii)

Initial PHAs may allow portability moves during this 12-month period.[3] The initial PHA may decide to allow portability when the move would respond to a special family (for example, for employment opportunities) need but not allow such moves in other instances. The PHA is required to document the exceptions to the residency requirements in regards to portability in the administrative plan. The PHA may also choose not to impose a one-year residency requirement and allow for portability immediately for all applicants.

Residency is determined based on the family's domicile at the time that the family initially submitted their application for assistance, not at the time they reached the top of the PHA's waiting list. Domicile means the legal residence of the household head or spouse as determined by State and local law. The PHA needs to set a policy in the administrative plan outlining how residency will be verified for those resident applicants wishing to exercise portability.

Note: Residency requirements associated with portability are different for participants in HUD-VASH and are described in the Special Purpose Vouchers chapter.

2.1.2 Income Requirements

A family must[4] be income eligible in the area where the family initially leases a unit with assistance to be admitted into the program. This means that applicant families who exercise portability must[5] meet the applicable income limits of the receiving PHA's jurisdiction. Income eligibility does not apply to participant families; that is, income eligibility is not re-determined when a participant family moves under portability.[6]

Note: Under certain circumstances the receiving PHA will need to re-determine income eligibility for applicant families. For example, if the applicant family initially reported they had no earned income but they subsequently obtain new employment, the receiving PHA may need to re-determine income eligibility for the applicant family to ensure the family is income eligible in the receiving PHA's jurisdiction.

2.2 Family Responsibilities

To begin the portability process, the family contacts the initial PHA to provide the name of the location to which the family wishes to move.[7] If more than one PHA administers a voucher program in the area to which the family is moving, the family either chooses the receiving PHA or requests that the initial PHA make that choice.[8] The family must[9] notify the landlord before moving out of the unit. The family is also responsible for providing proper notice to their current landlord in accordance with their lease agreement. Once the receiving PHA has been selected and the portability request approved, the initial PHA also advises the family how to contact and request assistance from the receiving PHA. The family is then responsible for:

Verifying Residency

Acceptable forms of documentation to prove a household was a resident family at the time of application may include:

- Lease,
- School records,
- Voter registration or similar records.

[3] 24 CFR § 982.353(c)(2)(ii) & (3)
[4] 24 CFR § 982.353(d)(1)
[5] 24 CFR § 982.353(d)(1)
[6] 24 CFR § 982.353(d)(2)
[7] 24 CFR § 982.355(c)(1)
[8] 24 CFR § 982.355(b)
[9] 24 CFR § 982.551(f)

- Promptly contacting the receiving PHA and complying with the receiving PHA's procedures for incoming families;[10]
- Submitting a request for tenancy approval (RFTA) to the receiving PHA during the term of the receiving PHA's voucher.[11]

The family will also need to:

- Allow time for receiving PHA processes, such as:
  - Appointments at the receiving PHA;
  - Rent approval and inspection of the unit by the receiving PHA;
- Plan for extra expenses, including:
  - Living expenses during the move;
  - Security deposits;
  - Moving costs.

3. Limitations on Family Moves (including portability moves)

In certain cases, limitations on family moves are mandatory; that is, the limitation is required by regulation. In other cases, the PHA has discretion to determine whether or not to impose the limitation. Mandatory and discretionary limitations on family moves are discussed in Section 3.1. There are some exceptions to limitations on family moves, which are also described in Section 3.2.

3.1 Mandatory and Discretionary Limitations on Family Moves

3.1.1 Mandatory Denial of a Family Request to Move

PHAs must[12] deny the move for applicants who are not income eligible in the receiving PHA's jurisdiction. Moves must[13] also be denied for families that have moved out of their assisted unit in violation of the lease, except as noted in Section 3.2 of this chapter.

3.1.2 Discretionary Denial of a Family Request to Move

PHAs may deny a family's request to move under the following program regulations:

1. The family's action or failure to act as described in 24 CFR 982.552 or 982.553. For example, a move may be denied if the family breaches an agreement with the PHA to pay amounts owed to the PHA.
2. The request to move does not comply with the PHA's policies on the timing and frequency of moves in accordance with 24 CFR 982.354(c)(2). These policies include prohibiting any move by the family within the initial lease term and prohibiting more than one move by the family during any one-year period. A PHA must[14] not establish a policy that restricts families from moving only at the time of their annual reexamination. These policies must[15] be consistent with applicable civil rights laws and regulations.

---

[10] 24 CFR § 982.355(c)(8)
[11] 24 CFR § 982.551(f)
[12] 24 CFR § 982.353(d)(1); PIH Notice 2016-09(6)(a)
[13] 24 CFR § 982.353(b)
[14] PIH Notice 2016-09(6)(b)
[15] PIH Notice 2016-09(6)(b)

3. The PHA has insufficient funding for continued assistance in accordance with 24 CFR 982.354(e)(1). See Section 3.3 of this chapter for more information.
4. The family is a non-resident applicant and is requesting to port.

3.2 Exceptions to Limitations on Family Moves

There are important exceptions on the PHA's ability to restrict moves. PHAs must comply with all applicable Federal civil rights laws, and any limitations on family moves are subject to civil rights requirements and Violence Against Women Act (VAWA) requirements. Three examples that may commonly arise in connection with family moves are discussed in this section.

3.2.1 Protections for Victims of Domestic Violence, Dating Violence, Sexual Assault or Stalking

A family may receive a voucher and move in violation of the lease if the family has complied with all other obligations of the voucher program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is, or has been, the victim of domestic violence, dating violence, sexual assault, or stalking and who either reasonably believed he or she was imminently threatened by harm from further violence by remaining in the assisted dwelling unit or has been the victim of sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move.[16]

PHAs and owners may, but are not required to, ask for documentation when an individual presents a claim for VAWA protections. The PHA or owner is prohibited from requiring third-party documentation of victim status. If the PHA or owner chooses to request an individual to document their claim of domestic violence, dating violence, sexual assault, or stalking, the PHA or owner must make such request in writing and pursuant to the requirements outlined in 24 CFR 5.2007.

3.2.2 Reasonable Accommodation

See Section 9 Fair Housing and Equal Opportunity Requirements, and the Fair Housing Requirements chapter.

3.2.3 Harassment

Harassment in housing or housing-related transactions on the basis of race, color, religion, sex, disability, familial status, and national origin is prohibited under the Fair Housing Act. PHAs may not deny a family's request to move when a family member is subject to harassment because of race, color, religion, sex, disability, familial status, or national origin that causes the family to vacate a dwelling.

3.3 Denying Family Requests to Move for Insufficient Funding

Under certain circumstances, a family move may be denied because the PHA has insufficient funds to cover the move.[17] This section outlines when PHAs may deny moves due to insufficient funding, and describes the steps PHAs must[18] take to deny moves for this reason.

---

[16] 24 CFR § 982.353(b)
[17] 24 CFR § 982.354(e)(1)
[18] PIH Notice 2016-09(7)

After the billing arrangement is established with the receiving PHA, the initial PHA must[19] not terminate the voucher for insufficient funding because the initial PHA is no longer a party to the HAP contract. Additionally, initial PHAs must[20] not impose a cap on the amount of HAP they will pay for a family that has moved under portability. Imposing such a cap could cause a receiving PHA to not be able to bill the initial PHA for a higher subsidy amount that the initial PHA would have had to pay for otherwise (such as when the subsidy amount increases based on changes in the family's circumstances).

A PHA must[21] not deny a request to move due to insufficient funding unless all of the following applies:

1. The move is to a higher cost unit (for moves within the PHA's jurisdiction) or to a higher cost area (for portability moves). See definitions below.
2. The receiving PHA is not absorbing the voucher (applicable only to portability moves).
3. The PHA would be unable to avoid termination of current participants during the calendar year in order to remain within its budgetary allocation (including any available HAP reserves) for housing assistance payments.

Higher cost unit is defined as a unit which requires a higher subsidy amount due to an increase in the gross rent for the new unit. A PHA may not deny requests to move due to insufficient funding if the subsidy for the new unit is equal to or less than the current subsidy being paid for the family.

Higher cost area is defined as an area where the PHA would have to pay a higher subsidy amount due to higher payment standards or more generous subsidy standards of the receiving PHA (e.g. the receiving PHA issues a 3-bedroom voucher to a family that received a 2-bedroom voucher from the initial PHA). A PHA may not deny requests to move due to insufficient funding if the area the family has selected is not a higher cost area.

If a PHA approves a family's request to move and then subsequently experiences a funding shortfall, the PHA may only rescind the voucher if the family would be allowed to remain in its current unit. If the family cannot remain in the unit (e.g. family has already vacated the unit or family has already notified the owner of their intent to vacate and the owner has re-let the unit to another family) the PHA must[22] not rescind the voucher. The family must[23] be allowed to lease a new unit. This requirement applies to moves within the PHA's jurisdiction and to portability moves.

<u>A PHA may not deny a family request to move under portability for insufficient funding:</u>

- If the receiving PHA has confirmed that they will absorb the family into their program. In such cases, the initial PHA has no grounds to deny the portability move under 24 CFR 982.354(e)(1).
- For families moving within the PHA's jurisdiction (even if the new unit is a higher cost unit) if the family must[24] move from their current unit (e.g. the unit failed HQS, the owner failed to renew the lease, etc.). If the family is moving under portability, the PHA may deny the move under these circumstances if the family is moving to a higher cost area under portability and the receiving PHA is not absorbing the family into their program.
- Because it wishes to admit additional families from its waiting list into its voucher program, regardless of whether it has unit months available to do so. If the PHA denies a family's request to

[19] PIH Notice 2016-09(7)
[20] PIH Notice 2016-09(7)
[21] PIH Notice 2016-09 (7)(a)
[22] PIH Notice 2016-09 (7)
[23] PIH Notice 2016-09 (7)
[24] PIH Notice 2016-09 (7)

move, it may not subsequently admit families from its waiting list to its HCV program until families with open requests to move (based on PHA policy) are processed. family's request to move, it may not subsequently admit families from its waiting list to its HCV program with open requests to move (based on PHA policy) are process

3.3.1 Notifying the Local PIH Field Office

The PHA is required by regulation to provide written notification to the local PIH field office within 10 business days of the date on which the PHA determines it is necessary to deny family moves due to insufficient funding. Only one notification per calendar year is required and it must[25] include the following:

- A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses.
- A statement certifying the PHA has ceased issuing vouchers and will not admit families from their waiting list while the limitation on moves is in place.
- A copy of the PHA's policy stating how the PHA will address families who have been denied moves. The requirements of the policy are described in Section 3.3.3 of this chapter.

PHAs do not need prior HUD approval to deny a family move for insufficient funding. However, if HUD determines that the PHA lacks grounds to deny moves due to insufficient funding, the provisions described in the Section 3.3.4 of this chapter apply.

HUD's 2-Year Forecasting Tool

This optional tool is designed to assist PHAs in determining if sufficient funding is available to support a move. Find the tool on HUD's website here.

3.3.2 Determining Whether There Is Sufficient Funding

In projecting whether there is sufficient funding available for the remainder of the calendar year, PHAs may make reasonable estimates to factor in conditions such as pending rent increases that would affect the subsidy and the attrition rate for families leaving the program. The initial PHA may consider any reported changes in the family's income or composition that may result in a decreased subsidy amount.

PHAs **must**[26] **not** include projected costs for vouchers issued to families from the waiting list but not yet leased as part of this analysis. Vouchers issued to those on the waiting list cannot be considered an expense for purposes of determining whether to deny a move due to insufficient funding until such time that HAP contracts are executed and the PHA is legally obligated to make HAP payments.[27]

3.3.3 PHA Policies Addressing Denial of Family Moves for Insufficient Funding

The PHA must[28] establish policies in its Administrative Plan that state how the PHA will address families whose request to move are denied due to insufficient funding once the PHA determines funds are available for those moves. At a minimum, the PHA policy must[29] address:

[25] PIH Notice 2016-09(7)(b)
[26] PIH Notice 2016-09(7)(c)
[27] PIH Notice 2016-09(7)(c)
[28] PIH Notice 2016-09(7)(d)
[29] PIH Notice 2016-09(7)(d)

1. How the PHA will inform families of the PHA's local policy regarding moves denied due to insufficient funding (e.g. information contained in briefing packets or in a letter to the tenant at the time the move is denied).
2. How long the family's request to move will be open for consideration.
3. How the PHA will notify families with open requests when funds become available (which will be no later than January 1st of the following calendar year).

3.3.4 Improper Denial of Requests to Move

If HUD determines that the PHA lacks grounds to deny moves due to insufficient funding, the PHA must[30] immediately inform any affected family and immediately process the family's request to move, regardless of the PHA's policies on denials of family moves for insufficient funding.

HUD may impose sanctions on PHAs that improperly deny a family's request to move due to insufficient funding. Such sanctions may include a reduction of the PHA's administrative fee of up to 10 percent for the two quarters following the quarter that HUD identified the improper denial. The reduction would be applied to the PHA's prorated administrative fee (assuming that a pro-ration factor applies to the PHA administrative fees during this period). HUD will consider the circumstances of the particular case in making this determination.

If HUD decides to apply such a sanction, the PIH field office with jurisdiction over the PHA will inform the PHA by letter. The general policy described in the preceding paragraph in no way restricts HUD from exercising additional remedial actions or imposing sanctions for PHAs that have improperly denied families' requests to move due to insufficient funding.

4. Initial PHA's Responsibilities

This section covers the responsibilities of the initial PHA under the portability process. Please note that the responsibilities of the initial PHA as it relates to the portability billing process are discussed in Section 7 of this chapter.

4.1 Providing the Family Information About Portability

At the initial voucher briefing, the PHA must[31] provide families with information about where a family may lease a unit, including information about portability, and must[32] not discourage families from living anywhere inside or outside of the PHA's jurisdiction unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order.

PHAs must[33] provide an explanation of how portability works as part of both the oral briefing and the briefing packet to all families, not just to those families who are eligible to move under portability. Also, PHAs must[34] explain to families who elect to move under portability how differences in the receiving PHA's policies may affect the family's assistance through screening criteria, subsidy standards, payment standards and any other elements of the portability process which may affect the family's assistance.[35] For example, the receiving PHA

---

[30] PIH Notice 2016-09(7)(e)
[31] 24 CFR § 982.301(a)(2); PIH Notice 2016-09(4)(a)
[32] 24 CFR § 982.301(a)(2) and (b)(4)
[33] 24 CFR § 982.301(a)(2) and (b)(4)
[34] PIH Notice 2016-09(4)(a)
[35] PIH Notice 2016-09(4)(a)

might have more stringent policies related to screening for criminal backgrounds which may impact the family's assistance.[36]

PHAs are generally not required to research and provide families with specific receiving PHA policies. Instead, the requirement is for initial PHAs to make the family aware that the receiving PHA's policies may be different and how that may impact the family's assistance. Appendix B of PIH Notice 2016-09 provides a sample "How Portability Works" handout.

PHAs may also want to communicate the possible advantages and some of the other challenges of portability, such as:

- Portability provides flexibility for those who need to relocate with assistance to follow job opportunities, select the best school districts, or be near family members or child care providers. In this way, portability allows a family with housing subsidies the same choices available to others in their community.
- Families may also need to consider some of the possible difficulties they could encounter moving to a new location. A family who has vacated one unit before locating a new one could find a tight housing market with few available units and may end up with no assistance if the term of the portable voucher expires before the family locates a new home.

4.2 Eligibility Determination

Once a family informs the initial PHA of their desire to move under portability and where they want to move to, the initial PHA determines the family's eligibility to move.[37] A family's eligibility to move is determined in accordance with 24 CFR 982.353 and 24 CFR 982.354. See Section 3 for more information on denying family moves.

4.2.1 Applicant Family

An applicant family is a family that has not yet leased a unit in the initial PHA's jurisdiction. For applicant families, the initial PHA must[38] determine the family's HCV program eligibility, including whether the family is income eligible in the area to which the family wishes to move. If the applicant family meets all HCV eligibility criteria but is not income eligible in the area to which the family wishes to move, the PHA must[39] inform the applicant family that they may not move to that area with continued HCV assistance. But the family may lease a unit in the initial PHA's jurisdiction if the family is HCV eligible (including income eligible) in the initial PHA's jurisdiction.[40]

The receiving PHA's income limits are used in determining income eligibility for applicants who wish to port.[41] Initial PHA policies applicable to determination of family eligibility are used for all other eligibility criteria.[42] See 24 CFR 982.201 for more information on eligibility criteria for the HCV program.

[36] PHAs must ensure that such requirements are consistent with Notice PIH 2015-19 (Nov. 2, 2015), Guidance for Public Housing Agencies (PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions.
[37] PIH Notice 2016-09(9)(b)
[38] PIH Notice 2016-09(9)(a)
[39] PIH Notice 2016-09(9)(a)
[40] PIH Notice 2016-09(9)(a)
[41] 24 CFR § 982.353(d)(3)
[42] 24 CFR § 982.355(c)(1); PIH Notice 2016-09(9)(a)

4.2.2 Participant family

A participant family is a family that has leased up in a unit with the Housing Choice Voucher program. The date the family becomes a participant family is the effective date of the first HAP Contact executed by the PHA for the family.[43] Income eligibility is not redetermined for participant families, that means, the participant family's income does not need to be within the receiving PHA's income limits in order to qualify for portability.[44]

Selecting the Receiving PHA

Initial PHAs may determine which receiving PHA serves the area to which the family is moving by:

- Searching in the PHA contact list on HUD's website.
- Contacting a receiving PHA and/or local PIH field office in the area.

4.3 Selecting and Contacting the Receiving PHA

After the family informs the initial PHA that they wish to exercise portability and of the area to which the family wishes to move, the receiving PHA is selected. If more than one PHA administers a voucher program in the area to which the family is moving, the family selects the receiving PHA.[45] The initial PHA must[46] provide the family with the contact information for all of the receiving PHAs that serve the area.[47] The initial PHA may, but is not required to, provide more details about the receiving PHAs (such as whether the receiving PHA administers an FSS or a homeownership program).

If the family requests it, the initial PHA must select the receiving PHA.[48] If the initial PHA is selecting the receiving PHA per the family's request, the initial PHA is not required to provide the contact information for all receiving PHAs in the area.

Note: The PHA in the area the family selects must[49] have a tenant-based voucher program. Some PHAs only administer public housing or other project-based programs.

Once the receiving PHA is selected, the initial PHA must[50] contact the receiving PHA to determine whether the receiving PHA will bill or absorb the family's voucher. It is the responsibility of the initial PHA, not the family, to contact the receiving PHA to determine whether the receiving PHA will bill or absorb. This information may be critical in determining whether the initial PHA approves or denies the portability request. See Section 3 for more information on denying family moves.

4.4 Voucher Issuance and Informing the Family How to Contact the Receiving PHA

Once the portability request is approved, the initial PHA issues the family a voucher.[51] And, once the receiving PHA has been selected the initial PHA also advises the family how to contact and request assistance from the

[43] 24 CFR § 982.4
[44] 24 CFR § 982.353(d)(2)
[45] 24 CFR § 982.355(b); PIH Notice 2016-09(9)(c)
[46] 24 CFR § 982.355(b); PIH Notice 2016-09(9)(c)
[47] 24 CFR § 982.355(c)(3)
[48] 24 CFR § 982.355(b); PIH Notice 2016-09(9)(c)
[49] PIH Notice 2016-09(9)(c)
[50] 24 CFR § 982.355(c)(5)
[51] PIH Notice 2016-09(9)(e)

receiving PHA. The initial PHA may do so by providing the family with the name, telephone number, and email of the receiving PHA's staff responsible for working with incoming portability families and any procedures related to appointments for voucher issuance the receiving PHA has shared with the initial PHA. Simply referring the family to HUD or to a website for information on the receiving PHA does not fulfill the responsibilities of the initial PHA. Initial PHAs may fulfill this requirement by providing this information to families during the process of selecting the receiving PHA as described in Section 4.3.

4.5 Notifying the Receiving PHA and Providing the Portability Information

The initial PHA must[52] promptly notify the receiving PHA to expect the family by contacting the receiving PHA on the family's behalf. Initial PHAs may fulfill this requirement during their initial contact with the receiving PHA to determine whether the voucher will be billed or absorbed, or as part of a separate communication with the receiving PHA.

The initial PHA must[53] also send the receiving PHA the documents listed below. Initial PHAs are encouraged to provide this information when contacting the receiving PHA to notify them that the family is approved to port to the receiving PHA jurisdiction. See Section 8 of this chapter for more information on requirements for transmittal of Personally Identifiable Information (PII).

1. Form HUD-52665, Family Portability Information. The initial PHA completes and sends Part I of this form to the receiving PHA.
2. The most recent HUD Form-50058 (Family Report) for the family. Note that in the case of an applicant family, the initial PHA has not yet completed the HUD-50058 in its entirety because the family is not yet a new admission. See Section 11 of this chapter for more information on PIC data entry and page 70 of the Form HUD-50058 Instructions Booklet for sections to be completed at the time of voucher issuance. The initial PHA must[54] provide the partially completed HUD-50058 for the applicant family to the receiving PHA. And, income information in a format similar to the Form HUD-50058 so that the information is easily available for use by the receiving PHA.
3. All related verification information.
4. A copy of the voucher signed by the participant and the PHA.

Although not required, it is a best practice for the initial PHA to provide the receiving PHA the following:

- Citizenship status;
- Copies of photo IDs;
- Information on the family's participation in the family self-sufficiency program; and
- Information on reasonable accommodation and/or Earned Income Disallowance (EID).

4.6 Monitoring Families Searching in Other Communities

It is helpful for the initial PHA to know the number and status of families searching in other communities who may eventually lease up. Exhibit 1: Outgoing Portability is a processing log for tracking families searching elsewhere. The log can be maintained manually or electronically. PHAs are not required to use this log. This log is meant as a suggestion and PHAs may choose to use a different log or make revisions to the one suggested in this guidebook. The log tracks the following:

- Participant name;

---

[52] 24 CFR § 982.355(c)(2)
[53] 24 CFR § 982.355(c)(3)
[54] 24 CFR § 982.355(c)(7); PIH Notice 2016-09(9)(h)(2)

- Voucher number (if applicable);
- Expiration date of initial PHA's voucher;
- Receiving PHA's name, address, telephone, and fax numbers;
- Date forms HUD-50058 and HUD-52665 were sent to the receiving PHA;
- Date by which, if the voucher is being administered, billing is due (90 days after the expiration of the initial PHA's voucher);
- Date the form HUD-52665 is received informing the initial PHA that the family has leased a unit;
- Whether the receiving PHA has decided to absorb or administer;
- The date indicating that the family's portability effort has come to a conclusion. This can be the date that the family leases a unit in the receiving PHA's jurisdiction or the effective date of absorption into the receiving PHA's HCV program.
- Notes/comments

The initial PHA may choose to create a separate tracking log for families that have leased a unit in the receiving PHA's jurisdiction (for whom the initial PHA will be billed) to track when the annual submission of the family's 50058 by the receiving PHA is due and whether it has been received by the initial PHA. Alternatively, initial PHAs may choose to continue to track this information under the same log used while the family was searching for a unit in the receiving PHA's community, or as part of the initial PHA's billing system.

Different housing software options may provide a platform for PHAs to track the portability information. PHAs may want to consider the cost-effectiveness of such options in relation to factors such as the volume of portability transactions, the PHA's financial capability, staffing, etc.

5. Receiving PHA's Responsibilities

This section covers the responsibilities of the receiving PHA under the portability process. Please note that the responsibilities of the receiving PHA as it relates to the portability billing process are discussed in Section 7 of this chapter.

5.1 Requirement to Administer Assistance

The receiving PHA is required to administer HCV assistance for a family moving into their jurisdiction under portability. Receiving PHAs must[55] not refuse to assist an incoming family or direct them to a neighboring PHA for assistance. This includes having a policy of denying an incoming

Policies Applicable Under Portability

Applicable Initial PHA Policies

- Applicant selection and admission policies
- Moves policies

Applicable Receiving PHA Policies

- Income limit applicable to applicant families (typically the very low-income limit)
- Payment standards
- Subsidy Standards
- Extensions available for searchers

[55] 24 CFR § 982.355(b)

portability family if there is not a set number of days left on the initial PHA's voucher. Receiving PHAs may not have such a policy.

There are two exceptions to the requirement to administer HCV assistance: Extreme Circumstances and Rescreening.

5.1.1 Extreme Circumstances

Under certain circumstances, HUD may exempt a receiving PHA from the requirement to assist an incoming portability family. The receiving PHA can only refuse to assist a portability family after receiving written approval from HUD.

The receiving PHA initiates requests to deny administration of portability vouchers by sending a written request to the Director of the local PIH field office. The request must,[56] at a minimum, address the circumstances that prevent the receiving PHA from processing incoming portability families, including any documentation supporting the request. The local HUD office, at its discretion, may request additional information deemed necessary to process the request. The local PIH field office Director will render a decision in writing to the PHA within 30 days from receipt of the PHA's request. Such requests are meant only for extreme circumstances, such as when the receiving PHA is in a presidentially declared-disaster area.

5.1.2 Rescreening

Additionally, receiving PHAs may refuse to process a portability move as a result of applying their own policies for denial or termination of assistance.[57] For example, the receiving PHA may have a policy to terminate or deny HCV assistance if any member of the family has been evicted from federally-assisted housing in the last 5 years. The receiving PHA may refuse to assist a portability family by referring the family back to the initial PHA, or terminate the family's HCV participation, on any of the grounds in 24 CFR 982.552 or 24 CFR 982.553.

The receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit until the rescreening processes are completed. However, receiving PHAs may take subsequent action against the family (as explained in the preceding paragraph) based on the results of the rescreening.

Receiving PHAs do not need prior HUD approval to refuse portability assistance in these cases because they are authorized under regulation to deny the move in accordance with their screening policies. This is because the regulatory meaning of both denial of assistance (applicants) and termination of assistance (participants) specifically includes refusing to process or provide assistance under the portability procedures. If the receiving PHA refuses the portability move, the initial PHA is not precluded from assisting the family either in the initial PHA jurisdiction or by allowing the family to port to another receiving PHA's jurisdiction in accordance with the portability procedures.

If the receiving PHA takes action against the family as described in the preceding paragraphs, the receiving PHA is required to provide the ported family with the opportunity to request an informal hearing (if the family is a participant) or an informal review (if the family is an applicant) in accordance with 24 CFR 982.554 or 982.555. The participant/applicant status of the family is identified by the initial PHA under the Certification Statement under Part I of form HUD 52665.

PHAs must[58] ensure that any admissions or occupancy requirements they impose comply with applicable civil rights requirements contained in the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act of 1990, and the other equal opportunity

---

[56] PIH Notice 2016-09(10)(a)
[57] 24 CFR § 982.552; 24 CFR 982.553
[58] PIH Notice 2016-09(10)(b)

provisions listed in 24 CFR5.105. In using admissions or occupancy requirements that relate to the use of criminal background, PHAs must[59] also ensure that such requirements are consistent with Notice PIH 2015-19 (Nov. 2, 2015), Guidance for Public Housing Agencies (PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions, at http://portal.hud.gov/hudportal/documents/huddoc?id=PIH2015-19.pdf.

5.2 Responding to the Initial PHA

Once the initial PHA contacts the receiving PHA to inquire whether the receiving PHA will bill or absorb, the receiving PHA must[60] respond by email or other confirmed delivery method to the initial PHA's inquiry. **If the receiving PHA notifies the initial PHA that they will absorb the voucher, the receiving PHA cannot reverse its decision at a later date without the initial PHA's consent.** This prevents placing a financial hardship on the initial PHA and putting a family that has already terminated the lease, vacated their assisted unit, and moved to the new jurisdiction at risk of losing their assistance.

5.3 Expired Initial PHA Voucher

The receiving PHA must[61] promptly notify the initial PHA if the family's voucher expires before the family submits a Request for Tenancy Approval. If the initial PHA's voucher has already expired when the family arrives at the receiving PHA, the receiving PHA must[62] contact the initial PHA to determine whether it will extend the voucher term. If the initial PHA extends the voucher, the receiving PHA processes the ported family and the receiving PHA's voucher expiration date will be based on the initial PHA's extended deadline (see Section 5.6 for an example of this policy).

An informal hearing is not required[63] when a voucher has expired without the family leasing a unit. In determining whether to grant an extension of the voucher term, PHAs must[64] follow their own policies as addressed in their HCV administrative plan.

5.4 Voucher Issuance

After receiving the form HUD-52665 and supporting documentation from the initial PHA, the receiving PHA must[65] promptly issue a voucher to the family for its search in the receiving PHA's jurisdiction. HUD expects the receiving PHA to process the family's paperwork and issue the family a voucher within two weeks of receiving the HUD-52665 and supporting documentation provided the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures. The size of the voucher (that is the number of bedrooms or unit size for the family) is determined by the receiving PHA in accordance with its own subsidy standards.[66]

The term of the receiving PHA's voucher may not expire before 30 calendar days from the expiration date of the initial PHA's voucher. For example, if the initial PHA's voucher expires 10/30/2019, the receiving PHA's voucher may not expire before 11/29/2019.

---

[59] PIH Notice 2016-09(10)(b)
[60] 24 CFR § 982.355(c)(3); PIH Notice 2016-09(10)(c)
[61] 24 CFR § 982.355(c)(13)
[62] PIH Notice 2016-09(10)(d)
[63] 24 CFR § 982.555(b)
[64] 24 CFR § 982.355(c)(14); PIH Notice 2016-09(10)(d)
[65] 24 CFR § 982.355(c)(13); PIH Notice 2016-09(10)(f)
[66] 24 CFR § 982.355(c)(12); PIH Notice 2016-09(10)(e)

If the initial PHA extends the term of its voucher, the receiving PHA's voucher may not expire before 30 days from the new expiration date of the initial PHA's voucher. For example, if in the example in the preceding paragraph the initial PHA extends the voucher until 11/30/2019 the receiving PHA voucher may not expire before 12/30/2019. Receiving PHAs may extend the voucher beyond these additional 30 days.

The receiving PHA may delay issuance of the voucher or approval of the unit if the family refuses to comply with the receiving PHA's procedures. In any case where the receiving PHA is refusing to process or provide assistance under the portability procedures, the family must[67] be given the opportunity for an informal review or hearing.

5.5 Suspension of the Voucher (also known as tolling)

Receiving PHAs must[68] suspend the voucher when an incoming portability participant/applicant submits a Request for Tenancy Approval Form. The receiving PHA may or may not have a policy to suspend the voucher with regular moves, however, it is required during the portability process.

Voucher suspension/tolling example	
Voucher issued	Feb 1st
Request for Tenancy Approval submitted	Feb 15th
PHA provides written denial of unit to tenant	Feb 25th
Original voucher expiration date	April 2nd
Total tolling/suspension (# of days between RFTA submission and denial of unit)	+10 days
Update voucher expiration date after tolling	April 12th

5.6 Extending the Term of the Voucher

The receiving PHA may subsequently extend its own voucher's term. Any extensions of search time provided by the receiving PHA are only valid for the family's search in the receiving PHA's jurisdiction. **The receiving PHA must[69] notify the initial PHA of any extensions of the voucher term.** The receiving PHA may also request that the initial PHA extend the term of the initial voucher, however, the initial PHA is under no obligation to do so.

[67] 24 § CFR 982.554 and 982.555; PIH Notice 2016-09(10)(f)
[68] 24 § CFR 982.355(c)(15); PIH Notice 2016-09(5)
[69] 24 § CFR 982.355(c)(14)

When extending the voucher, receiving PHAs need to consider the billing deadline. The receiving PHA must[70] ensure that any voucher expiration date leaves sufficient time to process a Request for Tenancy Approval, execute the HAP contract, and cover the anticipated delivery time (if the PHA is not submitting the billing information by fax or email) of the initial billing. If the initial billing is not received by the initial PHA by the deadline date, the receiving PHA will generally have to absorb the voucher unless the initial PHA accepts the late billing.

5.7 Briefings and Reexaminations

Some receiving PHAs require ported families to attend a briefing about the receiving PHA's policies and procedures. This is allowable as long as the briefing does not unduly delay the family's housing search and reasonable accommodation requests are granted for persons with disabilities. It would not be reasonable, for example, to require the family to wait for a monthly briefing that was not scheduled for another three weeks.

Receiving PHAs may choose to conduct a new income reexamination for a participant family. In such cases, the receiving PHA must[71] not delay issuing the family a voucher or otherwise delay approval of a unit until those processes are completed. However, the PHA may take subsequent action against the family based on the results (e.g., recalculating the HAP payment based on updated income information).

In the case of an applicant family, the receiving PHA may delay issuing a voucher or otherwise delay approval of a unit only if it is necessary to re-determine income eligibility. For example, if the applicant family initially reported they had no earned income but they subsequently obtain new employment, the receiving PHA shall re-determine income eligibility for the applicant family to ensure the family is income eligible in the receiving PHA's jurisdiction. As a reminder, the receiving PHA does not re-determine income eligibility for a portable family that was already receiving voucher assistance.

In the case of an applicant family, the receiving PHA may delay issuing a voucher or otherwise delay approval of a unit only if the re-certification is necessary to determine income eligibility. For example, if the applicant family initially reported that they had no earned income but subsequently obtain new employment prior to leasing, the receiving PHA may need to conduct a recertification of income to ensure the family is income eligible in the receiving PHA's jurisdiction.

5.8 Notifying the Initial PHA

The receiving PHA must[72] promptly notify the initial PHA if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher. Timely communication between the initial and receiving PHA is key to make the portability process run smoothly.

If an incoming family ultimately decides not to lease in the jurisdiction of the receiving PHA, the receiving PHA must[73] refer the family back to the initial PHA. The voucher of record for the family is once again the voucher originally issued by the initial PHA, and the initial PHA's policies apply. Any extensions of the initial PHA's voucher to allow the family additional search time to return to the initial PHA's jurisdiction or to move to another jurisdiction are at the discretion of the initial PHA. The initial PHA must[74] apply its own policies on moves for families that decide not to use their voucher to port to another jurisdiction.

---

[70] PIH Notice 2016-09(10)(g)
[71] 24 § CFR 982.355(c)(11)
[72] 24 CFR § 982.355(c)(16)
[73] PIH Notice 2016-09(10)(i)
[74] PIH Notice 2016-09(10)(i)

5.9 Decision to Absorb or Administer

The receiving PHA has the option to administer the subsidy for the initial PHA or to absorb the portable family into its own HCV program. The receiving PHA may absorb the family into its own program provided it has funding available under its ACC to do so and such a decision will not result in over-leasing for the Calendar Year.[75]

Other factors a receiving PHA may want to consider in making the decision to administer or absorb include:

- Leasing Rate: If the receiving PHA has a low utilization rate, absorbing incoming portable families will increase the utilization rate. If the receiving PHA has a high utilization rate, it may prefer to use its own housing assistance funds to serve families on its waiting list.
- The Administrative Cost of Billing: For the receiving PHA, absorbing is generally the most cost-effective approach.
- Proximity of the Initial PHA: Some PHAs routinely bill for vouchers from nearby agencies with whom they have established relationships, but prefer to absorb families moving from locations where staff have not previously worked with the PHA.
- Economy in Numbers: Some PHAs choose to absorb families from locations from which they receive few incoming portability families in order to reduce the number of PHAs they must bill.

Cooperative Agreements

Sometimes, PHAs in neighboring jurisdictions make cooperative portability agreements. In locations where movement is in both directions, these agreements may consist of semi-annual reviews of portability contracts that result in each PHA absorbing an equal number of HAP contracts. The remaining vouchers, which represent the imbalance in movement, will continue to be administered.

Although a receiving PHA notifies the initial PHA of its intent to absorb an incoming family early in the portability process, a PHA does not technically "absorb" a family into its program until the receiving PHA executes a HAP contract on behalf of the family in the receiving PHA's jurisdiction. False processing of portability paperwork (sham portability moves) to address a PHA's utilization or leasing problems is prohibited. If the family does not move to a different unit and is not placed under a HAP contract in the receiving PHA's jurisdiction, the receiving PHA cannot absorb the family.

A PHA that decides to administer a voucher may decide to absorb that voucher at some point in the future. Many agencies, having opted to administer housing vouchers during a time when leasing rates were high and local sentiment favored using housing assistance funds for families from the local waiting list, reversed those decisions when housing markets tightened, leasing rates slowed and the PHAs faced low utilization rates. It is not necessary to wait for a recertification or other anniversary date to absorb an administered voucher. In cases where the receiving PHA decides to absorb a family after it has been billing the initial PHA for that family, the receiving PHA must[76] send form HUD-52665 to the initial PHA. The receiving PHA selects option 8 under Part II-B of such form.

When an applicant family leases up under portability, the receiving PHA's decision to administer the subsidy or absorb the family will determine which PHA counts the family for income targeting purposes. If the receiving PHA bills the initial PHA, the family will be included in the initial PHA's income targeting calculations; if the

[75] 24 CFR § 982.355(d)
[76] PIH Notice 2016-09(10)(k)

receiving PHA absorbs, it will include the family in its admissions when calculating the percentage of extremely low-income families.

5.10 Monitoring Families Moving into the PHA's Jurisdiction

Monitoring families searching for a unit within the receiving PHA's jurisdiction is sound management of the portability process. Exhibit 2: Incoming Portability, is a processing log for families moving into the PHA's jurisdiction. Using a log allows the HCV program manager to establish accountability, ensure procedures are completed, and that the initial PHA is notified before deadlines have passed. The log can be maintained manually or electronically. PHAs are not required to use this log. This log is meant as a suggestion and PHAs may choose to use a different log or make revisions to the one suggested in this guidebook. The log tracks the following information and activities:

- Participant name;
- Voucher number (if applicable)
- Date voucher expires;
- Date extension expires (if applicable)
- Date form HUD-50058 and form Part I of HUD-52665 received from initial PHA;
- Date Request for Tenancy Approval (RFTA) received;
- Date HAP contract executed;
- Name of initial PHA;
- Date Billing Due;
- Date Part II of the Form HUD-52665 was sent.

Using a processing log in combination with monitoring by the supervisor will provide staff with information about what has been completed, what remains to be done, and where priority needs to be placed.

The receiving PHA may choose to create a separate tracking log for families that have leased a unit in its jurisdiction (for whom the receiving PHA will bill) to track when the annual submission of the family's 50058 to the initial PHA is due and whether it has been sent to the initial PHA. Alternatively, receiving PHAs may choose to continue to track this information under the same log used while the family was searching for a unit in the receiving PHA's community, or as part of the initial PHA's billing system.

Different housing software options may provide a platform for PHAs to track the portability information. PHAs may want to consider the cost-effectiveness of such options in relation to factors such as the volume of portability transactions, the PHA's financial capability, staffing, etc.

5.11 Submission of Annual & Interim Reexaminations (Form HUD-50058)

The receiving PHA must[77] send the initial PHA a copy of the updated Form HUD-50058 at each reexamination for the duration of time the receiving PHA is billing the initial PHA on behalf of the family. Receiving PHAs send the updated HUD-50058 regardless of whether there is a change in the billing amount. A copy of Form HUD-50058 must[78] also accompany the submission of a portability form (HUD-52665) reporting any changes in the billing amount. See Section 7.3 for more information on changes in the billing amount.

[77] PIH Notice 2016-09(11)(b)
[78] PIH Notice 2016-09(11)(b)

The updated form HUD-50058 must[79] be sent to the initial PHA no later than 10 business days following the effective date of the reexamination. Receiving PHA's are strongly encouraged to send the updated form as soon as the family's reexamination is complete.

For special purpose vouchers, the receiving PHA must[80] maintain the appropriate special purpose codes on the HUD-50058 while billing.

5.11.1 Receiving PHA Fails to Send Updated HUD-50058 on Time

If the receiving PHA fails to send the updated form HUD-50058 on time, the initial PHA must[81] continue paying the receiving PHA based on the last Form HUD-50058 received, unless instructed otherwise by HUD. Initial PHAs make a first attempt at resolving any late submissions of the updated form 50058 with the receiving PHA. If such attempts fail to result in a resolution, initial PHAs may seek assistance from their local PIH field office. If assistance from the local PIH field office also fails to result in a resolution, the initial PHA may seek absorption of the vouchers in question by following the steps below. PHAs are reminded to document all communications between agencies and to retain a record of all transactions between PHAs.

If the vouchers are to be absorbed by the receiving PHA, the billing arrangement on behalf of the family or families in question ceases at the end of the month on the date of the local PIH field office letter. For example, if the local PIH field office letter is dated June 15, the billing arrangement ends June 30. The initial PHA continues to be responsible for any outstanding payments due to the receiving PHA.

HUD may in certain instances require the initial PHA to honor a late submission of the reexamination documents (such as where the receiving PHA does not have the funds to support the voucher and the family would be terminated if the initial PHA refused to accept the late billing). In such a case HUD may take action to address the receiving PHA's failure to submit the notification in a timely manner, which may include reducing the receiving PHA's administrative fee.

Requesting absorption for failure to submit the updated form 50058:

Initial PHA sends memorandum to their PIH Field Office Director (after attempts at resolution, as described in preceding paragraph, have failed)

- The memorandum must[82] include a copy of the initial notification and any subsequent correspondence between the PHAs on the matter.
- A copy must[83] be sent to the receiving PHA.

↓

The initial PHA's local PIH field office will notify the local PIH field office with jurisdiction over the receiving PHA.

- Occurs 15 within business days after notification to the PIH Field Office Director

[79] PIH Notice 2016-09(11)(b)
[80] 24 CFR § 982.355(g)(1)
[81] PIH Notice 2016-09(11)(c)
[82] PIH Notice 2016-09(11)(c)
[83] PIH Notice 2016-09(11)(c)

↓

The receiving PHA responds and provides supporting documentation if contesting

- Occurs within 15 business days of receiving request from PIH Field Office Director

↓

Initial PHA's field office sends approval or denial letter to initial and receiving PHAs

- Occurs within 15 business days of the receiving PHA's deadline to respond to PIH Field Office memo
- A copy of the letter will be sent to the receiving PHA's PIH Field Office.
- Both PIH field offices will work together in making a final determination. If the two PIH field offices cannot agree on a decision, they will contact their respective regional director(s) for resolution.

5.12 Family Decides to Port to Another Jurisdiction

The receiving PHA does not issue a voucher to a family under a billing arrangement that decides to move under portability to another jurisdiction. Instead, the receiving PHA notifies the initial PHA of the family's request. The initial PHA is responsible for issuing the family a voucher and following the procedures outlined in Section 4 of this chapter. Good communication between all three PHAs is crucial in these cases.

6. Termination of Assistance for Ported Families

In situations where the receiving PHA is billing the initial PHA, at any time either the initial PHA or the receiving PHA may determine that it is necessary to terminate the family's assistance in accordance with the PHA's termination policies.[84] In these instances, either PHA may issue a termination notice and conduct the informal hearing. More information about the informal hearing requirements can be found in the Informal Hearings and Reviews chapter.

7. Portability Billing

If the receiving PHA has absorbed the family, the family is no longer considered a ported family. The initial PHA is no longer involved with the family's subsidy. There is no billing and no communication on other details of the family's occupancy between the initial and receiving PHAs. If the receiving PHA decides to administer the subsidy for the initial PHA, both PHAs will have certain responsibilities to the ported family. These responsibilities and associated deadlines are described in greater detail in this section.

In many cases billing difficulties result from miscommunication between agencies. HUD encourages PHAs to work cooperatively to resolve billing difficulties, so that any potential hardship on participants or unnecessary administrative burden is avoided.

[84] 24 CFR § 982.355(c)(17)

7.1 Billing Amount

The billing amount will be the full amount of the housing assistance payment for the family, which is determined in the same manner as for other families in the receiving PHA program, and the administrative fee amount. The administrative fee amount is determined as described below.

Administrative Fees: The administrative fee calculation changed with publication of the final portability rule. The initial PHA must reimburse[85] the receiving PHA for the lesser of 80% of the initial PHA's ongoing administrative fee or 100% of the receiving PHA's ongoing administrative fee for each program unit under HAP contract on the day of the month for which the receiving PHA is billing the initial PHA. The example below illustrates how administrative fees are now calculated. **Initial and receiving PHAs continue to have discretion to negotiate and agree to a different administrative fee amount.**

The initial PHA's column B administrative fee rate (as indicated in previous guidance) and the receiving PHA's column B administrative fee rate are used in determining the administrative fee amount owed for a ported voucher. HUD publishes the administrative fee rates every year. The posted administrative fees are found on the HUD HCV webpage.

Proration due to insufficient administrative fee funding will apply to the administrative fee amount for which the receiving PHA may bill the initial PHA. That is, when determining the administrative fee amount, proration will be applied to both the initial and receiving PHA's administrative fee rate. Information on administrative fee proration for portability billing purposes will be provided in the administrative fee rate guidance published by HUD every year in the following webpage:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv.

The administrative fee amounts may be used for the entire calendar year to avoid the need for PHAs to re-calculate their portable fees each quarter, unless otherwise instructed by HUD.

Administrative Fee Example	
Administrative fee proration for the year is 79%. The initial PHA's column B administrative fee rate is $60.59 per voucher. The receiving PHA's column B administrative fee rate is $42.05 per voucher. The receiving PHA bills the initial PHA for $33.21 [the lesser of: (1) $38.29 ($60.59x.79x.80) or (2) $33.21 ($42.05x.79)]. See the table below for a visual representation of this example.	
PHA A (initial PHA)	**Column B Rate x Proration x 0.8** *admin fee proration in this example is 79%
	$ 60.59 x 0.79 x 0.8 = $38.29
PHA B (receiving PHA)	**Column B Rate x Proration x 1** *admin fee proration in this example is 79%
	$ 42.05 x 0.79 x 1 = $33.21

[85] 24 CFR § 982.355(e)(3)

7.2 Billing the Initial PHA

The initial PHA must[86] enter the date by which the initial billing must be received by the initial PHA on Part I, line 9 of the form. The receiving PHA must[87] complete and send Part II of Form HUD-52665 with sufficient time so that it is received by the initial PHA on or before the initial billing deadline.

The receiving PHA must[88]: (1) complete and send Part II of the Form HUD-52665 and (2) attach a copy of the new Form HUD-50058. See Section 8 of this chapter for more information on communications between PHAs, including requirements for transmittal of PII via email. Part II-B of form HUD-52665 has several options and more than one of those options may be applicable to each receiving PHA submission of the form. As it relates to the initial portability billing submission, both options 3 and 10 under Part II-B must[89] be completed.

Billing Deadline: The initial billing submission must[90] be received by the initial PHA no later than 90 days following the expiration date of the initial PHA's voucher. For example, if the initial PHA's voucher expires 10/30/2019, the initial billing deadline is 01/28/2020.

In cases where suspension of the term of the voucher will delay the initial billing submission, the receiving PHA must[91] notify the initial PHA of the delayed billing before the billing deadline and document that the delay is due to the suspension of the voucher term. If the receiving PHA meets these requirements, the initial PHA must[92] extend the billing deadline by 30 days. If the initial PHA has not received the portability form within the new 30-day deadline, the initial billing is late.

Late Initial Billings: The initial PHA is generally not required to honor initial billings that are not received by the initial billing deadline. If the initial PHA has not received a billing notice by the deadline and determines that it will not accept a late billing, the initial PHA must[93] inform the receiving PHA of this decision in writing. If the initial PHA still subsequently receives a late billing notice on behalf of the family, it returns the late Form HUD-52665 to the receiving PHA. A receiving PHA that failed to send the initial billing by the billing deadline is generally required to absorb the family into its own program unless the initial PHA is willing to accept the late submission.

HUD may require the initial PHA to accept the late billing in certain cases (such as where the receiving PHA does not have the funds to support the voucher and the family would be terminated if the initial PHA refused to accept the late billing). In such cases, HUD may subsequently transfer units and funding from the receiving PHA to the initial PHA when it is feasible. The initial PHA may contact HUD to report the receiving PHA's failure to submit the bill in accordance with these procedures. HUD may take action to address the receiving PHA's failure to submit the bill on time, including reducing the receiving PHA's administrative fee.

Mid-month Moves: If the effective date of the HAP is on a date other than the first of the month, the receiving PHA cannot bill for administrative fees for that month. This is because administrative fees are earned for each program unit under HAP contract on the first day of the month. Receiving PHAs may bill for the pro-rated HAP amount to the new landlord for a partial month. Receiving PHAs may also bill for the full HAP paid to the previous landlord, if the receiving PHA has a policy of paying full HAP to the previous landlord on the move-out month. This is because ported vouchers are administered in accordance with receiving PHA policies.

---

[86] 24 CFR § 982.355(e)(1) & (5); PIH Notice 2016-09(14)
[87] PIH Notice 2016-09(14)(a)
[88] PIH Notice 2016-09(14)(a)
[89] PIH Notice 2016-09(14)(a)
[90] PIH Notice 2016-09(14)(b)
[91] PIH Notice 2016-09(14)(b)
[92] PIH Notice 2016-09(14)(b)
[93] PIH Notice 2016-09(14)(c)

Example: The family leases a unit and the HAP is effective on 10/13/19. The receiving PHA cannot bill for administrative fees for the month of October. The receiving PHA starts billing for administrative fees in November. The receiving PHA may bill for the pro-rated HAP amount for October and for the full October amount paid to the previous landlord (based on the receiving PHA's policies).

7.3 Notification of Billing Amount Changes (Form HUD-52665)

The receiving PHA must[94] send a new Form HUD-52665 to report a change in the billing amount along with form HUD-50058. As it relates to changes in the HAP amount, both options 4 and 10 under Part II-B of form HUD-52665 must[95] be completed.

Receiving PHAs must[96] notify the initial PHA of changes in the billing amount no later than 10 business days following the effective date of the change. HUD strongly encourages receiving PHAs to notify the initial PHA of billing changes at the same time that it notifies the owner and the family in order to provide the initial PHA with advance notice of the change.

If the receiving PHA fails to send the Form HUD-52665 and Form HUD-50058 within 10 business days following the effective date of the HAP change, the initial PHA is not responsible for paying any increase in the monthly billing amount incurred prior to the notification. If the change resulted in a decrease in the monthly billing amount, the initial PHA will offset future monthly payments until the difference is reconciled. The examples below illustrate this policy.

7.4 Notification of Billing Arrangement Termination (Form HUD-52665)

The receiving PHA **must**[97] send an updated form HUD-52665 to the initial PHA no later than 10 business days following the effective date of the termination of the billing arrangement. As it relates to terminating a billing arrangement, Part II-B options 7, 8, or 9 of form HUD-52665 may be applicable.

7.4.1 Retroactive Absorptions

Retroactive absorptions are not allowed. However, receiving PHAs have 10 business days from the effective date of the absorption to send an updated form HUD-52665 to the initial PHA. This may result in absorptions that are retroactive but for no more than 10 business days.

There is one exception to the limitation on retroactive absorptions. If an initial PHA requests that the receiving PHA absorb ported vouchers as a way of avoiding terminations of assistance due to a funding shortfall, the receiving PHA may retroactively absorb families for which the receiving PHA was previously billing. In these cases, the receiving PHA reimburses the initial PHA for payments back to the effective date of the absorption but only for the current calendar year. This cost saving strategy is consistent with PIH Notice 2011-28, Cost-Savings Measures in the Housing Choice Voucher (HCV) Program.

Example: Changes in the Billing Amount

[94] PIH Notice 2016-09(14)(e)
[95] PIH Notice 2016-09(14)(e)
[96] PIH Notice 2016-09(14)(e)
[97] PIH Notice 2016-09(16)(a)

Assume the billing amount changed effective October 1, 2019. The initial PHA did not receive the Form HUD-52665 reflecting the change and the HUD-50058 until January 10, 2020.	
Billing Amount Increases: The initial PHA would not be responsible to pay for any increase in the billing amount prior to the forthcoming monthly payment for February 2018.	**Billing Amount Decreases:** The HAP amount decreased by $50, so the initial PHA paid an additional $200 ($50 for October, November, December, and January) and would offset this amount in future payments.

7.4.2 Receipt of Payments for Billing Arrangements No Longer in Effect

In all cases where the receiving PHA receives payments for billing arrangements no longer in effect, the receiving PHA is responsible for returning the full amount of the overpayment (including HAP and administrative fees) to the initial PHA.

If billing payments have continued for billing arrangements no longer in effect, HUD may take the following actions:

1. Direct the receiving PHA not to utilize their administrative fee reserve account in accordance with 24 CFR 982.155(b)(3).
2. Reduce the receiving PHA's administrative fees by up to 10 percent of the monthly billing amount (HAP and Administrative Fee) in question for each month the payments continued after the billing arrangement was terminated. The reduction would be applied to the PHA's prorated administrative fee (assuming that a pro-ration factor applies to the PHA administrative fees during this period). HUD will consider the circumstances of the particular case in making this determination. For example, if the receiving PHA was billing the initial PHA $600 a month on behalf of a family and collected four monthly billing payments beyond the billing arrangement termination date (for a total of $2,400), the receiving PHA is responsible for returning $2,400 to the initial PHA. In addition, HUD may reduce the PHA's administrative fee by up to $240 as sanction for failing to terminate the billing arrangement in a timely manner.

If HUD decides to take any of the actions described above, the PIH field office with jurisdiction over the receiving PHA will send a letter to the receiving PHA informing the receiving PHA of such action. The PIH field office must[98] send a copy of the letter to the HCV Financial Management Center (FMC) and the HCV Financial Management Division (FMD). HUD may also further reduce the administrative fee if the receiving PHA does not promptly return the overpayment to the initial PHA. This general policy does not in any way restrict the PIH field office Director from exercising additional remedial action.

See Exhibit 3 for guidance on how to record refunded amounts in the financial records by both the initial PHA and the receiving PHA.

[98] PIH Notice 2016-09(16)(c)

7.5 Billing Payments

The initial PHA must[99] pay the initial billing amount within 30 calendar days of receipt of Form HUD-52665. Subsequently, the initial PHA must[100] pay no later than the fifth business day of each month for each month that the billing arrangement is in effect. The payment must[101] be provided in a form and manner that the receiving PHA is able to accept.

Initial PHAs must[102] not terminate or delay making payments under existing billing arrangements as a result of over-leasing or funding shortfalls in the initial PHA's program. PHAs may only terminate HAP contracts to which they are a party to address insufficient funding in accordance with 24 CFR 982.454.

7.6 Penalties for Failure to Pay the Receiving PHA in a Timely Manner

HUD may transfer funds for assistance to ported families to the receiving PHA from funds available under the initial PHA's ACC.[103] Upon request from the receiving PHA, HUD may exercise this authority in cases where the initial PHA fails to comply with the initial and subsequent monthly billing payment due dates described above. Notwithstanding the transfer policies described below, failure to comply with HUD's financial procedures, including the billing and payment deadlines outlined above, may also result in the reduction of administrative fees.

The steps below outline the process for requesting the transfer of baseline units and funding from the initial to the receiving PHA. The PIH field office with jurisdiction over the receiving PHA is the lead HUD office in resolving any dispute over the timeliness of the billing payments. After examining the documentation submitted by the PHAs the lead field office determines if the billing payments were late.

Receiving PHAs make a first attempt at resolving any late billing payments with the initial PHA. If such attempts fail to result in a resolution, receiving PHAs may seek assistance from their local PIH field office. If assistance from the local PIH field office also fails to result in a resolution, the receiving PHA may seek transfer of the units and funding in question by following the steps below. PHAs are reminded to document all communications between agencies and to retain a record of all transactions between PHAs.

Transfer of units and funds for late payments
Receiving PHA sends memorandum to the PIH Field Office Director (after attempts at resolution, as described in preceding paragraph, have failed) • A copy of all correspondence between the PHAs on the matter must be attached.
↓ ↓ ↓ ↓
The receiving PHA's PIH field office notifies the initial PHA of the request. • Occurs within 15 business days after notification to the PIH Field Office Director • The notice includes the amount of time to respond.

[99] 24 CFR § 982.355(e)(2); PIH Notice 2016-09(13)
[100] PIH Notice 2016-09(13); PIH Notice 2016-09(15)(a)
[101] PIH Notice 2016-09(15)(a)
[102] PIH Notice 2016-09(15)(a)
[103] 24 CFR § 982.355(f)(1)

• A copy of the notice is sent to the PIH Field Office Director with jurisdiction over the initial PHA.
↓ ↓ ↓ ↓
The initial PHA responds to receiving PHA's PIH Field Office. • Occurs within 15 business days of receiving request from PIH Field Office Director • If the initial PHA is contesting whether the billing payments were late, it must provide supporting documentation in their response.
↓ ↓ ↓ ↓
The receiving PHA's Field Office must render a decision on the transfer of units and funds. • Occurs within 15 business days of the initial PHA's deadline to respond to PIH Field Office memo

If the lead PIH field office determines that the payments in question were late, it will send a memorandum to the Housing Choice Voucher Financial Management Division indicating the number of units to be permanently transferred from the initial PHA to the receiving PHA. The number will correspond with the number of families for which billing payments were late. A copy of this memorandum will be sent to the PIH field office with jurisdiction over the initial PHA and to both PHAs.

After receipt of the lead PIH field office's memorandum, HUD will reduce the baseline number of units and budget authority from the initial PHA's ACC and increase the baseline number of units and budget authority on the receiving PHA's ACC. HUD will use the revised baseline numbers to readjust the funding. The billing arrangement on behalf of the family or families in question ceases with the transfer of the unit or units. **The initial PHA continues to be responsible for any outstanding payments due to the receiving PHA.**

7.7 Summary of Portability Billing Deadlines

The following table summarizes portability billing deadlines by submission type and cross-references the relevant sections of PIH Notice 2016-09.

Summary of Portability Billing Deadlines		
Action	**Deadline**	**Policy Reference**
Initial Billing (Part II of Form HUD-52665)	90 days from the expiration date of the initial PHA's voucher *30 additional days if delayed billing is due to suspension of the voucher's term	Section 14.b of PIH Notice 2016-09
Initial Payment	30 days from receipt of initial billing	Section 15.a of PIH Notice 2016-09
Subsequent payments	5th business day of the month	Section 15.a of PIH Notice 2016-09

Change in the billing amount	10 business days from effective date of the change	Section 15.e of PIH Notice 2016-09
Termination of billing arrangement	10 business days from the effective date of the termination	Section 16 of PIH Notice 2016-09

8 Use of Email or Other Delivery Confirmation Method

The initial and receiving PHA must[104] communicate using email or other delivery confirmation methods. HUD supports email as the preferred method of communication. This requirement applies to all communications between receiving and initial PHAs referenced in this guidebook. PHAs are encouraged to establish a generic portability email, and controls for the management of such mailbox, to avoid misplacement of portability emails due to staffing changes at the PHA.

An initial PHA must[105] have a signed and valid HUD-9886 "Authorization for the Release of Information Privacy Act" on file before transmission of income verification information obtained through the Enterprise Income Verification (EIV) system. See PIH Notice 2012-4 "Effective Use of the EIV System" for more information. Also see PIH Notice 2015-6 "Privacy Protection Guidance for Third Parties" for information on requirements for transmittal of Personally Identifiable Information (PII) via email.

9 Fair Housing and Equal Opportunity Requirements

This section provides an overview of the fair housing and equal opportunity requirements that may commonly arise during the portability process. However, please see the Fair Housing Requirements chapter.

PHAs must[106] consider requests for reasonable accommodations that may be necessary for an individual with a disability to use and enjoy a dwelling or participate in or benefit from the program (in accordance with the Fair Housing Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act and HUD's implementing regulations at 24 CFR 100.204, 24 CFR 8.33, and 28 CFR parts 35 and 36.). An individual with a disability can request a reasonable accommodation to any rules, policies, practices or services at any time.

9.1 Reasonable Accommodations in the Portability Context

A reasonable accommodation may arise, for example, when a request to move is due to a disability of a family member. This provision applies even if a family might otherwise be restricted from moving (e.g., under a "one move per year" policy or because of insufficient funding). The reasonable accommodation determination is made on a case-by-case basis.

In cases where the limitation on portability is a discretionary policy of the PHA, the PHA must[107] grant the accommodation unless doing so would impose an undue financial and administrative burden to the PHA. There must be a nexus between the person's disability and the reasonable accommodation requested.

[104] 24 CFR § 982.355(c)(3)
[105] 24 CFR § 5.230(c); PIH Notice 2016-09(8)
[106] 24 CFR § 8.33; PIH Notice 2016-09 (3)(a)
[107] 24 CFR § 8.33; PIH Notice 2016-09 (3)(a)

If portability is not allowed by regulation, the PHA must[108] first assess whether the requested accommodation would impose an undue financial and administrative burden. If this assessment confirms no undue burden, the PHA must[109] request a waiver of the regulatory provision from HUD.

Note: With respect to voucher extensions, both receiving and initial PHAs need to consider that individuals with

Example: PHA Reasonable Accommodation Policy

The PHA has a policy that allows only one move per year. A qualified family has requested a reasonable accommodation to move for a second time during a one-year period. The PHA will have to allow the move as a reasonable accommodation if allowing such a move would not impose an undue financial and administrative burden on the PHA.

disabilities and families that include a member with a disability may require additional time to locate a suitable unit and may also request an extension as a reasonable accommodation. Other examples of when reasonable accommodation requests could arise include requesting that specific receiving PHA policies are provided to the family under the explanation of how portability works, requesting additional details about a receiving PHA when selecting the receiving PHA, and requesting a larger unit size.

9.2 Reasonable Accommodation and Insufficient Funding

In cases where a PHA determines it has insufficient funding to allow a move (provided that all of HUD requirements are met; see Section 3.3 for more information) the PHA must consider a request for a reasonable accommodation. A PHA must[110] grant a reasonable accommodation request unless it constitutes an undue financial and administrative burden, a fundamental alteration to the program, or results in a direct threat that cannot be reduced or eliminated by another reasonable accommodation. Such determination is subject to review by HUD.

[108] 24 CFR § 8.33; PIH Notice 2016-09 (3)(a)
[109] 24 CFR § 8.33; PIH Notice 2016-09 (3)(a)
[110] 24 CFR § 8.33; PIH Notice 2016-09 (3)(a)

9.3 Effective Communication and Limited English Proficiency Requirements

PHAs must[111] also ensure that communications and materials are provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and their implementing regulations. PHAs must provide appropriate auxiliary aids and services necessary to ensure effective communication, which includes ensuring that information is provided in appropriate accessible formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters. See Section 504 requirements regarding effective communication requirements for persons with disabilities in 24 CFR 8.6 and ADA requirements at 28 CFR Part 35, Subpart D and 28 CFR part 36. In addition, for more information regarding effective communication requirements under the ADA, which are similar to the requirements under Section 504, see the U.S. Department of Justice's Effective Communication guidance.

In communications and making written information available to families, PHAs must[112] ensure that such information is available in appropriate languages to ensure access for persons with LEP. See HUD's LEP guidance. For further information regarding LEP requirements, see www.lep.gov.

10 Moving to Work (MTW) and Special Purpose Vouchers (SPV)

10.1 Moving to Work (MTW)

Requirements of the portability rule are applicable to MTW agencies, unless there are approved activities in their MTW plan to the contrary. An MTW agency must[113] not apply its MTW flexibilities to a voucher holder living in another PHA's jurisdiction. After having moved under portability, the family is subject to the receiving PHA's policies. For example, MTW agencies that have adopted a voucher time limit must[114] not apply that time limit to a participant who ported to another PHA.

10.2 Special Purpose Vouchers (SPV) and Programs

If HUD has established alternative program requirements for SPVs, initial and receiving PHAs must[115] administer SPVs in accordance with such requirements. HUD cannot alter portability requirements for SPVs unless the program regulations provide special authority or specifically state how portability is handled for that program.

Currently, only the HUD-VASH program has alternative portability requirements, which may be found in Section G of the Federal Register Notice Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-VA Supportive Housing Program. See the Special Purpose Vouchers chapter for more information about the HUD-VASH program.

The following programs have specific portability provisions that account for the nuances specific to the program. However, general portability provisions apply to these programs.

- Portability information for the Family Unification Program (FUP) program can be found in the FUP FAQs.

---

[111] 72 FR 2732 and Executive Order (EO) 13166
[112] 24 CFR § 8.6 and 28 CFR part 35 subpart D
[113] 24 CFR § 982.355(c)(10)
[114] 24 CFR § 982.355(c)(10)
[115] 24 CFR § 982.355(g)(2)

- Specific portability provisions that apply to the Family Self-Sufficiency (FSS) program and the HCV Homeownership program, can be found in regulations at 24 CFR 984.306 and 24 CFR 982.636, respectively. Additional guidance on FSS portability provisions is found in PIH Notice 2016-08.

If the receiving PHA is billing, the initial PHA must[116] submit the codes for special use vouchers on the form HUD-50058 and the receiving PHA must[117] maintain the codes on the HUD-50058.

11 IMS/PIC and Voucher Management System (VMS) Data entry

11.1 IMS/PIC Data Entry

PHAs are required to report the activity associated with portability via HUD Form-50058s in the Public and Indian Housing Information Center (IMS/PIC). Both the initial and receiving PHAs have IMS/PIC reporting responsibilities. This section discusses the IMS/PIC reporting requirements specific to portability transactions.

It is crucial that PHAs enter timely and accurate information on portability families, as this data is used by HUD when determining whether a PHA is eligible for any additional funding that may be available for PHAs that are paying portability costs above their normal average costs. HUD encourages PHAs to review PIC records periodically to ensure they are properly identified.

11.1.1 The IMS/PIC Responsibilities of the Receiving PHA

- If a participant family moves into the receiving PHAs jurisdiction after previously being assisted by the initial PHA, the receiving PHA codes the family as a 4 (Port-in) on line 2A of the 50058, regardless of whether the receiving PHA is billing or absorbing.
- If an applicant family is exercising portability and has never leased up in the initial PHA's jurisdiction, then the receiving PHA codes the family as a 1 (New Admission) on line 2A of the 50058. In either case, the effective date on Line 2b of the 50058 will be the effective date of the HAP contract for the family.
- For both applicants and participants who port, and regardless of whether a voucher is billed or absorbed, the receiving PHA must[118] enter a Y on line 12d of the 50058 to indicate that the family moved into the PHA's jurisdiction under portability.
- For accuracy of reporting rates, the PHA code of the billed PHA must[119] be entered correctly on Line 12f of the 50058 since the initial PHA is not responsible for submitting reports to IMS/PIC for families whose voucher is being administered.
- The projected effective date of the next reexamination must[120] be entered on Line 2i. The projected effective date of the next reexamination will generally be within 12 months of the last full certification of household income and characteristics. The following table provides guidance on how to determine the projected effective date of the next reexamination based on possible port-in scenarios:

[116] 24 CFR § 982.355(g)(1)
[117] 24 CFR § 982.355(g)(1)
[118] PIH Notice 2016-09(18)(c)
[119] PIH Notice 2016-09(18)(d)
[120] PIH Notice 2016-09(18)(e)

11.1.2 The IMS/PIC Responsibilities of the Initial PHA

The initial PHA must[121] code a family previously assisted in their jurisdiction as a 5 (Portability Move-Out) on line 2a of the 50058, regardless of whether the receiving PHA is administering or absorbing. The portability move-in code is used even if the receiving PHA chooses to conduct a new reexamination of income for a participant family.

The initial PHA must[122] enter an action code 10 for families that exercise a portability move with their first admission into the voucher program. See page 70 of the Form HUD-50058 Instructions Booklet for sections to be completed at the time of voucher issuance.

The table in Section 11.1 provides a summary of IMS/PIC actions.

[121] PIH Notice 2016-09(18)(a)
[122] PIH Notice 2016-09(18)(a)

11.2 VMS Data Entry

Vouchers that are billed to the initial PHA require special VMS reporting. Instructions for handling billed vouchers for both the receiving and initials PHAs are described in this section. Portability vouchers that are absorbed by the receiving PHA are entered into VMS like any other voucher the receiving PHA administers. This section discusses the VMS reporting requirements specific to portability transactions.

Scenario	Next reexamination will generally be within 12 months of…
Receiving PHA completed a full reexamination of household income and characteristics for the participant family as a part of the Port-In (action code 4)	Effective date of Port-In (action code 4)
Receiving PHA completed a full certification of household income and characteristics for the applicant family as a part of the New Admission (action code 1)	Effective date of New Admission (action code 1)
Receiving PHA did NOT complete a full reexamination of household income and characteristics for the participant family as a part of the Port-In (action code 4)	Effective date of last Annual Reexamination (action code 2) completed by initial PHA. This date can be found on line 2b of the 50058 and Part I, line 7 of form HUD-52665.

11.2.1 Receiving PHA Instructions for Billed Vouchers

Receiving PHAs do not report port-in vouchers that are currently being billed to the initial PHA as part of their leasing or their HAP expense in VMS. Under the TAB 1"Voucher UML and HAP", receiving PHAs must[123] enter their port-ins that are being billed under "Portable Units Administered" and "Total HAP for Portable Units Administered." These are the fields for reporting those vouchers for which HAP is reimbursed to your PHA.

<u>Portable Units Administered</u>: Total number of vouchers for the entire month which the HA is administering on behalf of an Initial HA under the portability provisions; the HA is billing the initial HA and has not absorbed the voucher participants into the HA's own program. A household reported in this category is NOT reported as a voucher participant for this HA in any other category. These are commonly referred to as "Port-Ins."

<u>Total HAP for Portable Units Administered</u>: HAP expenses attributable to the Portable Units Administered as reported above. These expenses are NOT included in the HA's total voucher HAP expenses elsewhere reported in VMS.

11.2.2 Initial PHA Instructions for Billed Voucher

The initial PHA continues to include vouchers for which it is being billed in their leasing and HAP expenses in VMS. Under TAB 1"Voucher UML and HAP", initial PHAs must[124] enter their port-outs that are being billed under "Portable Vouchers Paid" and "Portable Vouchers Paid HAP".

<u>Portable Vouchers Paid</u>: Total number of vouchers for which the PHA is being billed by and is remitting HAP costs to another PHA under the portability option. These vouchers are part of the PHA's inventory and are commonly referred to as port-outs.

---

[123] Voucher Management System (VMS) Release 9.2.0.0 User's Manual, April 2017, pg. 11
[124] Voucher Management System (VMS) Release 9.2.0.0 User's Manual, April 2017, pg. 6

Portable Vouchers Paid HAP: HAP expenses incurred for portability vouchers reported in the Units section. The HAP payments to be reported here are for port-outs for which the PHA is being billed by another PHA.

Summary of IMS/PIC Actions			
Responsible PHA	**Event**	**Type of 50058 Submission**	**Effective Date**
Initial PHA	Applicant family requests port and is approved	Voucher Issuance (action code 10)	Voucher issuance date, matches the date printed on the voucher
Initial PHA	Participant family moves out of unit in Initial PHA's jurisdiction	Portability Move-out (action code 5); regardless of billing or absorption	Unit move out date
Receiving PHA	Family ports into the receiving PHA's jurisdiction and is issued a voucher to search for a unit	Voucher Issuance (action code 10); before entering the following codes, as applicable	Voucher issuance date, matches the date printed on the voucher
Receiving PHA	Applicant family leases a unit within the receiving PHA's jurisdiction	New Admission (action code 1)	HAP Contract effective date
Receiving PHA	Participant family leases a unit within the receiving PHA's jurisdiction	Portability Move-in (action code 4); regardless of billing or absorption	HAP Contract effective date

12 Related SEMAP Indicators

While there is no specific SEMAP indicator for portability, to receive full points under SEMAP Indicator 7 "Expanding Housing Opportunities", PHAs must[125] certify, among other things, that the PHA's briefing packet includes an explanation of portability and a list of PHAs in neighboring jurisdictions including the name of the portability contact at the PHA and the telephone number and address to help the family contact that agency. SEMAP indicator 7 assesses the PHA's efforts to expand housing opportunities and applies only to PHAs with jurisdiction in metropolitan FMR areas. For more information on SEMAP requirements see the SEMAP chapter.

[125] 24 CFR § 985.3(g)

13 Chapter Glossary

The following terms are used in this Chapter:

Absorption the point at which a receiving PHA starts making assistance payments with funding under its consolidated ACC, rather than billing, the initial PHA.

Administrative Fee is the fee paid by HUD to the PHA for administration of the program.

Higher Cost Unit, as related to portability, is defined as a unit which requires a higher subsidy amount due to an increase in the gross rent for the new unit.

Higher Cost Area, as related to portability, is defined as an area where the PHA would have to pay a higher subsidy amount due to higher payment standards or more generous subsidy standards of the receiving PHA (e.g. the receiving PHA issues a 3-bedroom voucher to a family that received a 2-bedroom voucher from the initial PHA).

Initial PHA.portability, the term refers to both:

- A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
- A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Portability means the ability to rent a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

Receiving PHA is a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Exhibit 1: Outgoing Portability Processing Log

Participant Name	Voucher Number	Date Voucher Expires	Receiving PHA Name, Address, Telephone, Email, Fax	50058 & 52665 Sent	Billing Due Date	Date 52565 Rec'd	Absorb/ Administer	Date Complete	Notes/ comments

Exhibit 2: Incoming Portability Leasing Log

Participant Name	Voucher Number	Date Extension Expires	50058 & 52665	Date RFTA Received	Date HAP Executed	Initial PHA Name, Address, Telephone, Email, Fax	Date Billing Due	Date 52665 (ill) Sent	Notes/ comments

Exhibit 3: Guidance on PHA Entries for Returning Unearned HAPs and Fees under Portability

A number of cases have surfaced in which the receiving PHA did not promptly inform the initial PHA that billing arrangements were terminated as the result of absorption by the receiving PHA or families leaving the program. As a result, the initial PHA continued to make monthly payments for housing assistance payments and administrative fees to the receiving PHA. The receiving PHA is required to refund the excess payments to the initial PHA. The following guidance is provided regarding how to appropriately record in your accounting records accounting entries to accommodate the returned payments.

<table>
<tr><th>RECEIVING PHA</th><th>INITIAL PHA</th></tr>
<tr><td>

Normally, the receiving PHA would have recorded the following when the HAP was paid to the owner on behalf of the family:

DR Accounts Receivable - Initial PHA (for HAP and fee)
CR Income (for Fee)
CR Cash (for HAP payment)

Upon receipt of payment of HAP and fees from the initial PHA, the Receiving PHA would have:

DR Cash
CR Accounts Receivable - Initial PHA

Typically, when the billing arrangement ceased, the first set of transactions did not happen (the owners were not paid and the income was not recorded) because the receiving PHA had terminated the HAP contract. The receiving PHA failed to inform the initial PHA and continued to debit “Cash” and credit “Accounts Receivable” when the payment arrived from the initial PHA. The large CR balance in the “Accounts Receivable” is an indication to the receiving PHA that something is amiss.
When the receiving PHA returns overpaid funds to the initial PHA, the receiving PHA would:

DR Accounts Receivable - Initial PHA
CR Cash

When all refunds are made, the “Accounts Receivable” balance will be zero or at normal levels.

</td><td>

When the initial PHA recognized the obligation under the billing arrangement for the family that moved under the portability procedures it would have created the expense and the payable:

DR Expense - Control (and subsidiaries for HAP and administrative expenses)
CR Accounts Payable - Receiving PHA

When the initial PHA then paid the receiving PHA:

DR Accounts Payable - Receiving PHA
CR Cash

When the initial PHA receives the funds back from the receiving PHA:

DR Cash
CR Expenses - Control (and subsidiaries)

</td></tr>
</table>